

**TOWN OF FOUNTAIN HILLS  
MINUTES OF THE WORK STUDY SESSION OF THE  
FOUNTAIN HILLS TOWN COUNCIL  
August 11, 2009**

**AGENDA ITEM #1 – CALL TO ORDER AND ROLL CALL**

Mayor Schlum called the meeting to order at 5:01 p.m. in the Fountain Hills Town Hall Council Chambers.

**ROLL CALL –**

The following members of the Fountain Hills Town Council were present for the roll call: Vice Mayor Archambault, Councilmember Hansen, Councilmember Contino, Councilmember Leger, Councilmember Dickey, and Mayor Schlum. Town Manager Rick Davis, Town Attorney Andrew McGuire and Town Clerk Bev Bender were also present.

Councilmember Dickey was absent.

**AGENDA ITEM #2 –PRESENTATION AND DISCUSSION OF THE “TOWN PASSPORT PLAN”.**

Human Resource Administrator Joan McIntosh explained that the purpose of the Passport Plan was to facilitate one of the Council’s 2009-2010 goals, which was to develop more opportunities for staff and Council to interact. She noted that the first event (luncheon) had not worked very well due to the fact that a majority of the Councilmembers had full-time jobs besides the time spent serving as an elected official, which made it difficult to participate in such events during the middle of the day. She stated that the Employee Services Committee had come up with the Town Passport Plan as a way to provide for interaction. Each Councilmember would be issued a passport that contained all the Town departments and employees’ names. The idea was that each Councilmember could take whatever time they wanted (6 months or by the end of the year) to go and visit each department. It could be as simple as going to each department, meeting each member of the department, or more time could be spent observing. This was an opportunity for interaction with those staff members that the Council might not see very often within the Council’s individual timeframes. She pointed out that under each department a contact name was listed for the purpose of scheduling a specific request. She asked for feedback from the Council and stated that a small prize would be awarded to the Councilmember who had obtained the most signatures by the agreed upon deadline.

In response to a question by Councilmember Contino, Ms. McIntosh confirmed that this would be done on Town time. Councilmember Contino stated that he had a problem with going in and talking to employees when a lot of them had been told not to talk to him. Ms. McIntosh stated that she was not aware of that and suggested that he call the contact person listed in the Passport. Councilmember Contino interjected that he did not know where that directive had come from (perhaps through either HR or the Town Manager). Ms. McIntosh commented that she felt he had been misinformed.

Mayor Schlum suggested that this plan sounded like this was separate from what Councilmember Contino had spoken about. He stated that the Passport Program sounded like solution to a previous discussion where the Council had been concerned with taking staff away from their work and this seemed to allow for scheduling and would help eliminate that concern. The Mayor asked Councilmember Contino for clarification of what he was talking about.

Councilmember Contino indicated that employees had informed him that they were told not to talk to him inside Town Hall. Mayor Schlum asked Town Manager Davis and Ms. McIntosh if they were aware of that and both indicated they were not. Councilmember Contino expressed that this was a completely different direction and the Mayor agreed with his observation. Mr. Davis clarified that this idea (the Passport Plan) was coming from his office and not the other. He further stated that he endorsed the idea of the Council getting out to talk to more employees and to have them talk to the Council. He stated that he was looking for “more talking not less

talking” to occur between the Council and staff and hoped that this discussion would go a long way towards clarifying that.

Mayor Schlum asked that Councilmember Contino reach out to him or the Town Manager if he heard that again as he would be happy to help work on that.

Councilmember Leger indicated that he had never had any indication in his three years of going in and out of Town Hall that he could not talk to staff nor had he heard of any Councilmember being prevented from talking with staff. He stated his dialogue with staff had always been extremely positive.

Ms. McIntosh stated that employees welcomed any Councilmembers any time, but if the Councilmember had any personal specific time constraints, they might want to call ahead and alert staff so they can set time aside.

Councilmember Hansen indicated this plan reminded her of something that the Chamber had used a few years ago (a treasure hunt). She stated she liked the idea of getting around to meeting staff but she did not feel she needed a Passport to do it. She suggested utilizing a method similarly used on candidate nights whereby a candidate was placed at each table or the candidate moved between the various tables. In this case, there could be a table for each division and the Council could move between the tables. She felt it would be a shorter way to get bigger exposure. She agreed that the prior luncheon had been somewhat stilted and this might combine lunch and the idea of rotating tables so that the Council was making the rounds and meeting staff that way. This would eliminate the need for additional meetings being scheduled for the Council.

The Mayor felt the Passport Plan had a mechanism that had a little bit of fun tied in with what all the Council wanted to do, which was meet more with staff and vice versa.

Ms. McIntosh reiterated this plan would facilitate one of the Council’s goals and provided an interaction opportunity for the Council. She stated that she would pass the ideas on to the Employees Services Committee and acknowledged that they welcomed ideas from the Council. She commented on the fact that those ideas mentioned by Councilmember Hansen could be done in addition and that she would happy to pass ideas along to the Committee members as they assist with the coordination of these things.

Councilmember Brown expressed the opinion that this was an excellent idea and said he could see it evolving as Councilmember Hansen had suggested. He stated it provided an excellent opportunity and he expressed his appreciation for the efforts. Mayor Schlum stated that this was something that did not need to be followed. He acknowledged that some of the Council regularly met with staff. He pointed out that staff was trying to assist the Council meet one of their goals.

**AGENDA ITEM #3 – UPDATE REGARDING A REQUEST TO EXTEND THE HOURS AT THE OFF-LEASH FACILITY (DOG PARK) AT DESERT VISTA PARK TILL 10 P.M. FROM MAY THROUGH OCTOBER 15.**

Director of Parks and Recreation Mark Mayer reviewed the background in the staff report, history of this situation and meetings that went back about 3½ years, and a citizen’s current request (Andi Bell) to extend park hours from 9 p.m. to 10 p.m. from May to October 15. He reviewed Ms. Bell's reasoning for her request and discussed that staff had agreed with Ms. Bell’s request to poll the neighbors. He displayed a map depicting the areas that had received letters and advised that Ms. Bell had asked that letters not be sent to everyone in the Morningside subdivision because the further away from the dog park there was less noise. He noted that letters were also sent to residents in Desert Vista (located across the street from the Dog Park). He explained that a total 130 letters went out and recipients were asked to respond if they were in favor of the request. Of those letters sent, 24 responses were received (20 opposed and 5 in favor of the proposal). He acknowledged receipt of petitions from Ms. Bell in excess of 200 signatures; however, it had come to his attention the petition was passed out at realtor meetings and things like that did not have anything necessarily to do with the Dog Park. He indicated that the number of signers might not be representative of the park users although people might have

strong feelings about extended park hours (both for and against). Mr. Mayer stated that an e-mail had been received from the Board of Directors of the ADOG group in support on extended hours. He expressed that the results of the survey represented to staff that there was not public support for changing the park's operational hours; therefore, staff had decided no change would be made to the park's hours. He said he would be happy to answer any questions.

Mayor Schlum reiterated that this was a work-study for the purpose of Council discussion with no action taken or public input. Discussion ensued relative to the fact that the Parks and Recreation Commission's recommendation was not to extend the hours and what facts had been looked at that led them to that recommendation (i.e. previous meetings held, public input taken; impacted residents' input, staff's recommendation, etc); the fact that the ADOG group had paid for lights for evening use had been taken into account back in 2007 in determining the current park hours; the fact that staff and Vice Mayor Archambault had tracked the temperature differences through use of the internet for the requested hour and had not found a wide variance (between 1 - 3 degrees); the Vice Mayor's research as to when sunset occurred from June through August with the observation that many people walked their dogs about 7 p.m.; Councilmember Contino suggestion of talking with dog owners to see if the barking could be controlled, his preference of having the park open to 10 p.m., and inquiry as to if there would be a significant increase in cost to keep the lights on an extra hour; the fact that ADOG contributed approximately 1/3 toward the total cost of lighting the park; the fact that the hours of operation policy was made prior to the lights going live; Councilmember Hansen's point that the decision on hours of operation was made without any data (affect of the lights or noise to surrounding neighborhoods), the suggestion of a trial basis to extend the hours in order to gauge the effects would have been helpful, that those individuals that she had spoken with had a bigger issue with the barking over the lights since the soccer lights had gone live, the suggestion that it would be helpful to measure the noise level of the park between 9 p.m. and 10 p.m. for a three or four week trial period, the observation that people might frequent the park later due to work hours, the suggestion of a design change to mitigate the dog barking (separation of big dogs from little dogs), work with the park users, and the opinion that the letter should have been sent to all Morningside residents, that it did not let the residents know that a decision would be made based upon their responses, and the point that results might have been different if that had occurred; and her preference that a trial basis had happened since she felt the decision had been based on assumptions and the facts are unknown; the Vice Mayor's statement that this was an administrative matter rather than a Council issue and that the Parks and Recreation Commission had weighed both sides of the issue in 2007 when they made their recommendation and his suggestion that everyone needed to get along; the Mayor's observation that there had not been a great response to the survey, that the numbers could be interpreted differently, acknowledged that there were no winners here, the need to balance the park use noise with sensitivity to the neighbors, his appreciation for staff's efforts to keep this as much of a public process as possible and his recognition of the park's history with the public. He asked Mr. Mayer what the real issue was: noise vs. the lights.

Mr. Mayer responded that the neighbors' concerns were not so much the lights but the barking dogs. Comments were received that expressed concern with the morning hours (gate never being locked). It was on the honor system when the public could get into the park as early as 5 a.m. There were issues raised on both ends (early morning and later hours). He emphasized that the hours currently being used were a compromise reached through the Parks and Recreation Commission and neither side (park user or neighbors) had been completely happy at that time and neither side was completely happy now. Mr. Mayer discussed this had been brought forward in order to try to bring some type of closure to the matter. He stated that the Council was and would always remain the last stop and if the Council at some point in the future wanted staff to do additional work on this or look at it from another perspective then staff would be willing to do that. He acknowledged that this had been brought forward as a way to discuss what had been done, where we were in the process, and to provide the necessary relative information and background for those Councilmembers who had not been not here through the previous process.

Councilmember Leger recalled the original discussion as being very emotional and he acknowledged that this current discussion also held very emotional arguments. He noted the Council dealt with many emotional issues and processes were used to come to decisions. As he was not on the Council at that time he asked Mr. Mayer to

share what processes were used to establish the hours that resulted in this compromise to which he referred. Mr. Mayer reiterated that three public meetings were held and one topic at each of the meetings was lights, which was a real concern for the neighbors (both the athletic and the dog park lights. It came to light that those issues would not be resolved at those meetings so the Parks and Recreation Commission worked through Commissioner Curt Cornum to meet with both sides and testimony was taken from both sides at the meeting where the Commission made a recommendation to staff and the result was a compromise.

In response to Councilmember Leger, Mr. Mayer reiterated that neither side had been happy with the compromise that had resulted. Councilmember Leger stated he had been watching the debate (e-mails back and forth) and in this discussion and it seemed that the issue had gotten lost in the discussion and that was why he had asked how was the original decision was made. He acknowledged that all were passionate about their position and that much staff time had been devoted to this matter. He expressed he was hopeful that a resolve could happen that would end up being another compromise although he was a little disappointed that this had gone from setting park hours to personal attacks on town staff and that a decision needed to be made that Parks and Recreation had come up with a decision. He referred and read an e-mail he received from a woman (resident of Morningside subdivision). Her e-mail pointed to the fact that they had worked many hours with Parks and Recreation to come up with an agreement, a compromise, as to when the park should close (9 p.m.) and the expectation was that the compromise would continue to be honored since the park was built next to their subdivision and that they had had to live with the noise of barking dogs (even with size separation noise was present) with some homes within 200 feet and it did not matter if the AC was on or not, the barking could still be heard. She stated her preference for the sound of children playing and laughing and requested that the homeowners in Morningside be allowed to have a reasonable time with peace and quiet on their patios and that the park hours not be extended. Councilmember Leger stated that he knew the dog owners were also asking for a reasonable time to use the park; he pointed to the fact this was very much a circular argument and that he did not want to take sides. He also acknowledged that he too was an animal lover. Councilmember Leger stated that staff and the Commission had gone through the previous process and it had been fair then and it was fair now. His intent was to share the perspective of one of the many e-mails that he had received from residents in that area.

Mayor Schlum commended staff for their public process and stated that there was no perfect answer.

Councilmember Contino reiterated that he did not see why the hours could not be extended (May through October). He noted that he had his dogs for protection but that dogs were needed for fun. He challenged the Council to change their mind as there were human factors to be considered.

Mayor Schlum said that some good points were made but there still remained a need to balance things out.

Councilmember Hansen referred to the Parks and Recreation meeting in June and asked if there had been any recent dog barking complaints; Mr. Mayer responded not that he was aware of. Councilmember Hansen pointed out that then they really did not know if there would be more complaints between 9 and 10 p.m. She referred to the statement that a promise was made and asked if the Town made promises as to when the lights were on in other parks? She questioned if the other park lights remained on until 10 p.m. Mr. Mayer stated that was correct. Councilmember Hansen said a policy was put in place but agreed with Councilmember Contino that based on new information the Council did modify policies and it was unfortunate that this was not looked at back in June.

Mayor Schlum stated that Town had the greatest dog owners and homeowners in the world, and that great staff helped to get information and public correspondence shared with the Council. He stated that personal attacks usually puts up some guards, which was never a positive thing but that good dialogue and drilling down on data was always a positive. He expressed his confidence in staff and the commission to make these types of decisions or obtain feedback for staff and not necessarily the Council.

Councilmember Hansen stated that reference was made in the staff report that it should be noted that at least some signers were not users of the dog park but were simply asked to sign the petition. She felt that was somewhat dismissive of the people who might have signed because she thought they could sign even if they were not dog owners if they just thought it was a good idea to have a park open. She compared it to the School whereby she would sign a petition even though she did not have children in the school district but would sign a petition to get a computer teacher back in the elementary schools. She reiterated that the argument was dismissive of those who do support something even though they might not be users of the park.

Mayor Schlum felt that by the Council doing their homework, looking at the data, and coming up with individual conclusions and not being swayed by emotion or someone else's opinion was how everyone approached things here. Councilmember Leger acknowledged that the Town had an incredible dog park and prior to being on Council he had not paid much attention to municipal amenities. However, recently he had traveled and he had checked out a couple of other dog parks and he felt the Town's dog park was quite fantastic in comparison and that was important to note as the other two facilities he had visited did not have lights.

**AGENDA ITEM #4 – REVIEW OF ORDINANCE 09-07, AMENDING THE FOUNTAIN HILLS TOWN CODE, CHAPTER 7, TO ADD ARTICLE 7-12, ILLEGAL CONSTRUCTION SITE ACTIVITY.**

Chief Building Official Peter Johnson addressed the Council stating that this ordinance was drafted because of some of the economic circumstances currently being faced with that had not occurred before (i.e. abandoned homes, foreclosures, loans rescinded). He explained the types of situation that might occur that needed to be addressed such as unsafe construction sites, materials left behind on the job site, and unattended excavation. He stated that this ordinance had started out as a policy as to how to handle such things internally and was now in ordinance form but the idea was to minimize these types of impacts that abandoned construction had on an adjacent property owner. He stated that this would not affect how construction was done daily but was drafted basically to handle the vacant properties. He also noted that a revision had been made that would not require the abandoned property to be put back to its previous condition. This would provide policy direction to extend permits for different circumstances and to put in place an inspection prior to renewing or reinstating permits to ensure compliance with general safety requirement, which had not been done in the past. He acknowledged there were many expired permits and staff felt it necessary to address this now.

In response to a question by Mayor Schlum, Mr. Johnson explained at what stage these types of inspections would occur and possible scenarios of how this ordinance would address certain situations. Mayor Schlum stated that people did not typically want to stop building their project and it was done through financial hardship. His first thought was empathy and sympathy for someone in a tough situation but then you had to look at what the neighbors were looking at and how long should it be tolerated. He acknowledged that it would be good to look at having inspections or a window of time yet he did not want to end up with fences put up around properties that had been abandoned for a period of time that would cause further blight on the neighborhood or with other unintended consequences that might come out of this. He liked the idea of an inspection after a certain amount of time but that he was looking for Councilmember Brown to comment on this as well as other Councilmembers.

Councilmember Contino asked for clarification as to what was tweaked. Town Attorney McGuire stated that the only changes made to the provisions that were referenced by Mr. Johnson was a scaling back of the provision that previously said return the lot to its condition prior to construction. It now said return it to a reasonably safe condition so the building official could make a site by site determination on the property to see what was there. Councilmember Contino asked if this would address mounds of dirt. Mr. Johnson responded the ordinance had a provision that addressed the maximum height of excavated fill of 25' and that would occur during the normal course of construction while excavating a hillside lot. He clarified that the height would not exceed 25' from the natural grade of the property and this ordinance would give the building official discretion to abate some nuisances. He pointed out that although a pile of dirt might not be a safety violation but it might be a nuisance (wind born dust issue). He stated that staff would use this ordinance as a policy guide to look at these types of

issues but he noted that common sense needed to be used in its application and pointed out that if there wasn't money to complete the project then there probably would not be any money to move the dirt.

Councilmember Contino asked how this ordinance would affect abandoned remodeling projects that affected landscape. Mr. Johnson responded this ordinance would not address that situation but that the Town had a separate ordinance currently in place to address projects that affect over 1,000 sq. ft.

Councilmember Brown stated the need to talk about two items: clean and safe. He said new construction sites were not safe nor were abandoned new home construction sites safe. He stated the opinion that it was important to make them safe because kids went in and played there as if they were play houses and that was something that could not be stopped. He felt they needed to be talking about clean and safe, which included mowing weeds, open ditches, noting that a fence was the most appropriate way to secure a property and, although it was an expensive venture, having an accident would also be an expensive venture. He felt the other alarming situation was the abandoned homes going into foreclosure that were left unlocked and he discussed the need to check on and secure those properties when reported by neighbors and would like to see the building department do so. He did not have any answer as to who would pay for this but the person on title should be the person that was responsible for making the property clean and safe for Fountain Hills' citizens.

In response to a question by the Vice Mayor, Mr. Johnson confirmed that this ordinance was directed at sites where the permit had expired, the work had stopped, or was abandoned. Vice Mayor Archambault concurred that it was the builder's responsibility to make new construction sites as safe as possible. He did not want to see the Town take responsibility for making an active site clean and safe as that was the contractor's responsibility. He wanted to ensure that this would take a site where the work had stopped and the permit was gone and they would have to reapply for a new permit and the Council would give the building official the authority to make sure that the site becomes safe and clean within reason as the intent would not be to create another financial hardship for someone by telling them to put the property back to its natural state. Mr. Johnson confirmed that he was not looking at active sites and that this action would take place when the building activity had been suspended for more than 180 days as defined in the building code( i.e. when the contractor was gone, no activity was taking place, no project progress, no inspections, etc). He noted that the building department would always respond to complaints so this would be a step beyond that by being a little more proactive on expired permits and the reinstatement of those permits. Vice Mayor Archambault asked if this would give staff a legal tool and what the hammer was (if no compliance).

Mr. McGuire stated that it was an unspecified penalty, which meant it was a Class 1 misdemeanor. The Vice Mayor asked if this gave the Town the ability to take action and lien the property and Mr. McGuire responded that he did not know if A.R.S. 9-499 could be used for the authority to clean and lien, but if the property was in decay (structures falling down), we might be able to. The Vice Mayor questioned if the site was determined to be unsafe, would it fall under the referenced statute. Mr. McGuire stated that the clean and lien was a fairly unique statute that would allow for the removal of the nuisance; he did not know if it was abandoned or if there were things on the property if it would fall under this statute and that each matter would need to be looked at on a case by case basis and that was what was meant by the code provision referenced (the Town would take whatever action available to it including this statute).

Discussion ensued with regard to if there were other ordinances that addressed unsafe properties under construction that might be permitted; the fact that there were a number of property owners who extended their permit by making just enough progress to keep the permit active and there was no current penalty or way to deal with that scenario as they could not be forced to build something but the Town could inspect their progress and make sure that they did it correctly; the fact that the Town had adopted the abatement of dangerous buildings code that dealt with new or existing construction life safety issues; the abatement process and various scenarios; the proposed ordinance process and the fact it was meant to deter those who wished to only maintain an active permit and not make progress on the construction of the project; and the Mayor's desire to not penalize someone with an additional inspection but help to assist those whose intention it was to move the project forward where possible.

In response to questions from Councilmember Hansen Mr. Johnson discussed building permit process and inspections, various building stages as to when action was required of the builder to keep the permit active, the intent of the ordinance (to mitigate the current problems due to the current economic climate), that fact that building equipment on site unrelated to the building activity would be somewhat subjective, clarification as to what an improved container was (something kept on site that kept debris from blowing around) and the fact that construction debris was not allowed to blow around the neighborhood and become unhealthy.

Councilmember Leger asked what the goal of this policy was, what the Council needed to do to accomplish that goal and how the ordinance needed to read to accomplish the goal. He noted that he was looking toward staff to identify the goal and the steps to accomplish that goal. He concurred that the Town was experiencing more of these experiences today due to the economy but he questioned what the issues were prior to these types of situations today. He recalled the situation of a home near Sunridge Canyon and it appeared that most of the neighbor complaints were driven at that time by the fact that the activity going on was devaluing their property and that was what seemed to be the majority of the concern that he heard. He said this was a tricky area and agreed there were many scenarios to consider.

Councilmember Contino thanked Mr. Johnson for bringing the information to the Council's attention. Mayor Schlum noted that the Council was sensitive to safety issues and that they had sympathy for the situation(s) and he hoped that Mr. Johnson would be able to come up with a tool to encourage progress and that would not just allow extensions of time.

Councilmember Hansen also thanked Mr. Johnson and noted that one of the things that was wanted was to have the building site to be used for the purpose for which it was there, which was to build something on it and not store things on it or dump things on it. She felt that was accomplished with this ordinance.

#### **AGENDA ITEM #5 – DISCUSSION REGARDING COMMUNITY SERVICES CONTRACTS.**

Town Manager Davis reviewed that the service contracts would be coming up for renewal and he indicated that there might be other community services that the Council might want to consider assisting. He proposed the formation of a committee similar to what was accomplished with regard to the fire services contract. The committee would look at the community services contracts and develop recommendations for Council's consideration. Specifically, they would be looking at the scope of the services being provided, appropriateness of performance measures if present in the contracts, any modifications to the services that were offered by these entities, and the level of funding. He felt it would be helpful to have at least one elected official on that committee and if more wanted to participate they were certainly welcome. He indicated that Councilmember Contino had expressed interest in serving on the committee as well as Councilmember Dickey but that he would have to verify that with her. Councilmember Hansen volunteered to serve on the committee. Mr. Davis noted that it appeared that there was a consensus of the Council to move forward and he stated that he would keep the Council updated on the work of the committee as they review the contracts.

Mayor Schlum asked that the committee keep in mind where the Town would be financially. He acknowledged that the timing of the budget season would put the organizations in a tough spot as they were expecting the contracts to continue because the Council would be making the decision to either continue, change or remove potential contracts based on their budget discussions. He felt it was a great idea to have a team work on what the best approach would be. He stated that the intent of the prior contracts were based on what services the Town felt were needed through partnerships that would be effective and efficient. He said that had been the prior approach. He noted reports had been required of those who were awarded funding and he asked they determine if that needed to be changed. He requested the committee move carefully because it could start looking at a whole lot of things that might cause loss of focus.

Mr. Davis stated that staff would also serve on this committee: Julie Ghetty, Mark Mayer, and Lori Gary. He said Vice Mayor Archambault had brought up a good point. He had proposed that future the contracts be tied organizationally so there was a stewardship between one of the Town departments and the contracts so there

was always someone watching over the contract and administering it. Mr. Davis pointed out that in the past some of the contracts had not had that. He suggested tying economic development to tourism, parks and recreation to the Boys and Girls Club and the Community Theater, and administration to the Food Bank but noted the dynamics could change moving forward with these discussions.

Councilmember Leger concurred with the Mayor and commented on the fact that this was a tricky situation. He said that dialogue and discussions could take place of who was worthy in the community; they could look at existing contracts and discuss if they were to be continued, downsized, or upsized. Unfortunately, it appeared the Council had to complete the process of awarding backwards whereby the revenue needed to be projected rather than look at what was available based on the revenue. He pointed out that resources would need to be determined as to what funding might be available and then that would determine the scope of work. He saw them going out for a new scope of work for new contract as done in the past based on a pool of money. He acknowledged that at this time the pool of money was unknown and he hoped the committee would come up with worthy organizations. He saw if the current economic climate continued that all of the contracts would need to be scaled back on their scope of work based on money available. He discussed a previous process followed the year before: going to contracts whereby applications were taken for a pool of money and the fact that the Council awarded smaller sums of money to numerous organizations. He reiterated that this was tricky due to the parameters and he cautioned that if the process was opened up to all who was worthy, there were many organizations that were worthy. The conclusion at that time was that municipalities support these types of functions and that he was not trying to dictate the process but that the committee needed to be very level headed about how this was done.

Vice Mayor Archambault pointed out that the Council would have their budget retreat on October 8. He suggested holding off forming this committee until after the retreat. The point being that the Council needed to understand what services the Town had to provide versus what services were nice to have but not needed to have. The current contracts were based on the Council's decision three years ago, which had narrowed the focus on these particular services and happened to be services that the Town did not provide or did not have the facilities to provide. The Town had gone out for an RFP and looked to these particular agencies to provide the services and then gave favoritism to the local organizations to provide these services. At that time the Council had understood these services were nice-to-have services. He said he wanted the committee to keep their scope focused on what the Council's directions were and not get into opening this up for a free for all as numerous organizations would apply for funding as had happened in the past. He approved of having staff involved as they had the expertise to provide guidance. He reiterated the committee would need to implement the Council's direction and pointed out that if the Town's revenues decreased due to a change in state shared revenues, he felt the Council might first look at not providing these types of services, which were nice to have services, as the need to have services were more important.

Mr. Davis said in an ideal world there would be good, sound information on revenue projections. He stated next year revenue projections would not be available in October and that if the Council waited until the information was available, it might be too late for a committee to look at four individual contracts. He indicated that he was proposing the formation of this committee as a way of trying to balance the situation somewhat, but if it would be helpful, staff could bring forward what information was available to the October retreat as a topic for discussion before this committee was formed.

Vice Mayor Archambault said he was not implying that this should be put on the October retreat agenda in place of something else; he would defer to Mr. Davis' judgment. However, he cautioned that depending on how the discussion went in October and what happened between now and when the Legislature passed the state budget, it might require a quick reaction on the Town's part regarding the Town's budget. He acknowledged how tight the Town's budget was this year. He did not want to see a committee waste their time if the Town did not have funding available for contracts.

Mr. Davis stated that the problem was that the Town might not know before June 30<sup>th</sup> what the budget might be as the Legislature could act at any time. He said the situation as described by the Vice Mayor was a real one and



one that the Town would have to deal with all year. He reiterated that his intention tonight was to talk with Council about the formation of such a committee and not when they would actually start. He was not sure that starting the committee along the timeline would avoid this type of scenario and he appreciated that the Vice Mayor brought this up as it was a very real danger.

Councilmember Hansen echoed comments made by Councilmember Leger relating to past awards but made under the community benefits program. She stated that at that time staff had not known what the funding amount was to be for the program until the budget was approved. She said the most important thing would be was to let these groups know that there might not be any funding next year and that the funding level would be unknown till the budget was almost ready to be put to bed. She stressed that this would need to be a very flexible program.

Mr. Davis said there many thing s to look at in the contracts besides funding amounts. He stated that while examining the contracts what he found conspicuously missing were any good performance indicators to say for certain this was really benefiting the community and doing what the Council intended for it to do. He hoped that the committee could help remedy that. He stated that Julie Ghatti had done research into performance measures and she would be able to bring a great deal of expertise to the table.

Mayor Schlum referred to the book “Good to Great in the Social Sectors”, which spoke to the importance of measuring performance and the fact that it was difficult more so for a municipality over a service or retail sector. He felt that would be important aspect of the contracts. Councilmember Hansen interjected accountability would also be important. Mayor Schlum felt they would become more efficient and the three year term was enough to empower organizations to make investment in order to continue projects beyond a year’s contract and were somewhat important. He wanted to see the discussion going the sooner the better. Councilmember Hansen agreed and stated otherwise the groups might need to rethink how they did business more realistically.

Mayor Schlum asked if they were covered with regard to the appointment of committee members. Town Attorney McGuire stated that this would function as an Ad hoc committee rather than an official subcommittee of the Council so the Mayor did not necessarily need to make an appointment but rather just offer an invitation. Mr. McGuire stated that if appointments were made to an official subcommittee, then the meetings would be required to be posted and minutes taken. He did not believe that was the intent as there were Councilmembers who had volunteered for this purpose. Mr. McGuire asked the Council keep in mind, particularly on a multi-year contract and the way the state’s budget was going, that it would be important to spell out the subject annual appropriation provisions, especially if it were come about during a three year contract, that in year two if the Town was unable to fund the contract, the Town needed the flexibility to cancel the contract. Councilmember Hansen proposed that would be important to have the ability to at least reduce the contract amount.

Mayor Schlum restated the names of the participating Councilmembers of the subcommittee as being: Councilmember Hansen, Contino and Dickey.

Councilmember Leger asked about the timing as to when the committee would start. He proposed the focus to start would be the process for decision making and how the group would go about doing what they do and what information they would need. He felt that it would be very helpful for him as a Council person to know how they were proceeding. For example, Councilmember Hansen had brought up a point of notification and he felt that should be part of this process (i.e. the when or how it was to be done). He said the group should not only look at who should be awarded but the process of decision making and that could be done ASAP without financial data. Mayor Schlum agreed the process would be very important and sensitive to being successful.

Mr. Davis echoed Councilmember Leger’s comments that he saw the first step as the committee focusing on what they wanted to accomplish and exactly what the process was that would arrive at a recommendation for the Council and that would be communicated to the Council so they could see what path this committee would be following. He indicated his intention to form a similar type of committee and process for the Sheriff’s contract that would be coming up and that he would be asking for the Council’s OK to form that. He suggested that

perhaps those Councilmembers not involved in the Community Services contract area might want to consider serving on law enforcement contract review committee.

Mayor Schlum stated that any time a contract came up, regardless of the number of available options, contracts needed to be reviewed to ensure that the Town was getting its full value. Mr. Davis stated he would be serving on this committee.

**AGENDA ITEM #6 – DISCUSSION REGARDING THE TRANSFER OF OWNERSHIP OF TWO PARCELS OF VACANT LAND FROM THE LAKESIDE VILLAGE HOMEOWNERS' ASSOCIATION TO THE TOWN.**

Planning and Zoning Director Richard Turner briefly discussed the opportunity to acquire a prominent portion of land near Fountain Park and stated that no taxes were due and that staff would be inspecting this property for the purpose of in ground infrastructure.

Mayor Schlum questioned if there was a cost to the Town to acquire as they needed to be cost sensitive to which Mr. Davis responded he did not think so. Mr. Davis noted that the land was important to the Town from the perspective that it framed the park. Mr. Turner stated that this item would be coming before the Council for action at a future meeting.

**AGENDA ITEM #7 - ADJOURNMENT**

Councilmember Contino **MOVED** to adjourn the meeting and Vice Mayor Archambault **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (6-0). The meeting adjourned at 6:50 p.m.

**TOWN OF FOUNTAIN HILLS**

By \_\_\_\_\_  
Jay T. Schlum, Mayor

ATTEST AND  
PREPARED BY:

\_\_\_\_\_  
Bevelyn J. Bender, Town Clerk

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Study Session held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 11th day of August 2009. I further certify that the meeting was duly called and that a quorum was present.

DATED this 17<sup>th</sup> day of September, 2009.

\_\_\_\_\_  
Bevelyn J. Bender, Town Clerk